

Cash or Credit?

Morgan Blatz
ARS329 Design Research, Spring 2019
Design Program
SUNY New Paltz



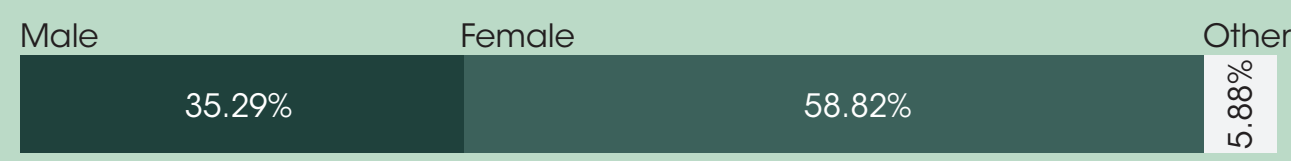
Research Brief:

Money and the exchange of currency is an integral piece of American society. However, the increasing popularity of credit and debit cards has undoubtedly changed many people's approach on the methods of spending money and the reason behind these approaches. The question I chose to research is whether our society is moving away from cash-based transactions and towards debit and credit cards. I also researched what influences someone's decision to use either method and why they might prefer one over the other. This problem has a worldwide effect, however I am focusing on the American point of view. It has an effect on anyone who makes purchases and deals with money on any scale. I became interested in this topic because I was curious about the statistics of people using cash versus a card to pay, and if our society is truly becoming cashless.

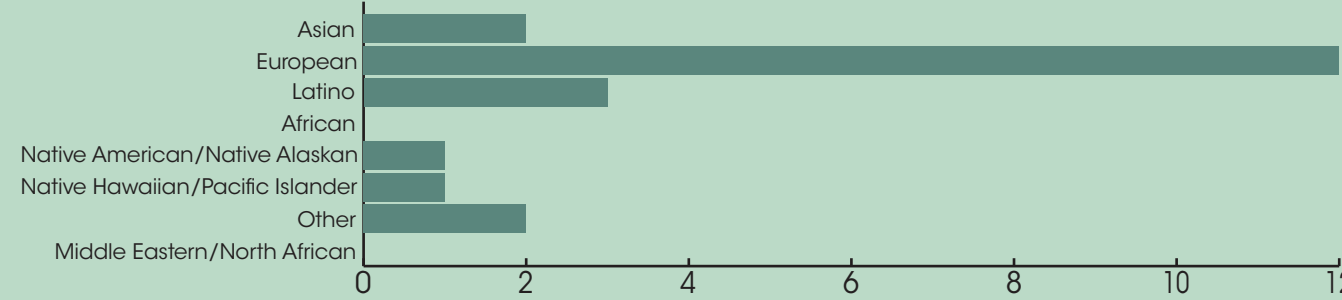
Method One: Survey

Since my topic not only focuses on the objective statistics of people utilizing different payment methods, I wanted to be able to collect opinion-based data as well. In my survey, participants were asked objective questions about their usage of currency as well as open-ended questions where participants could give information about their own point of view.

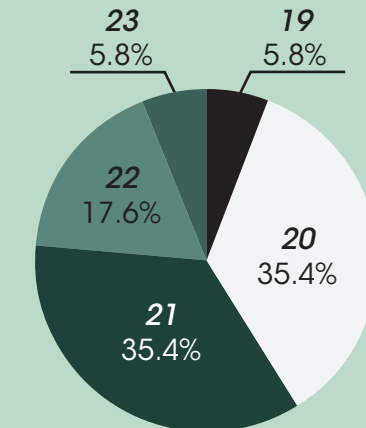
Q1. Please indicate your gender identity.
N=17



Q2. Please indicate your ethnicity/ies.
N=17

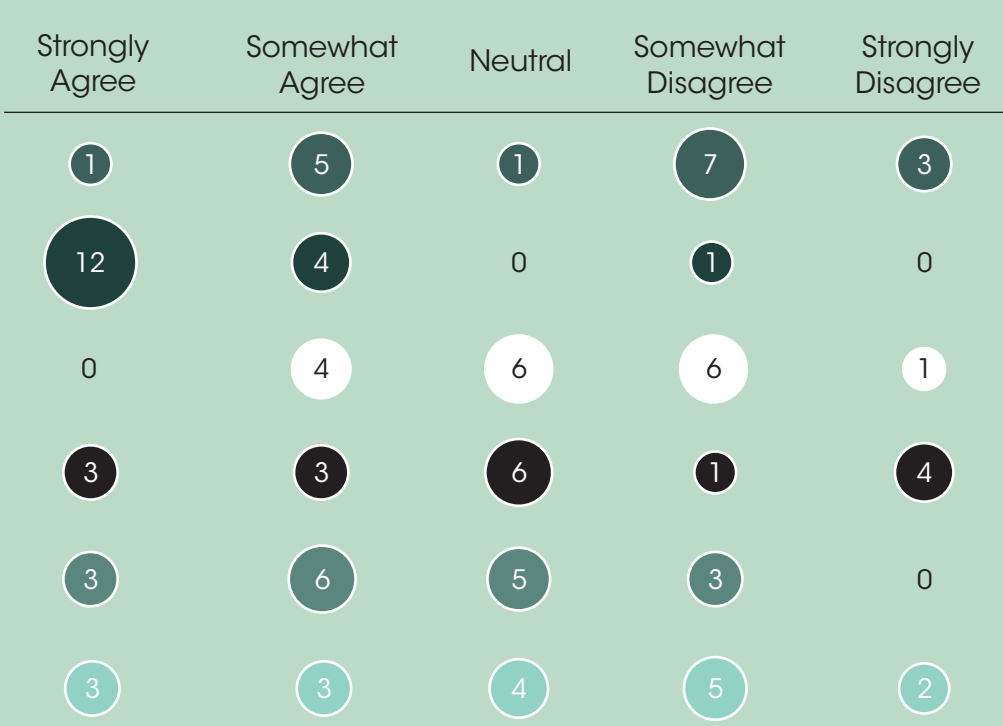


Q3. Please indicate your age.
N=17

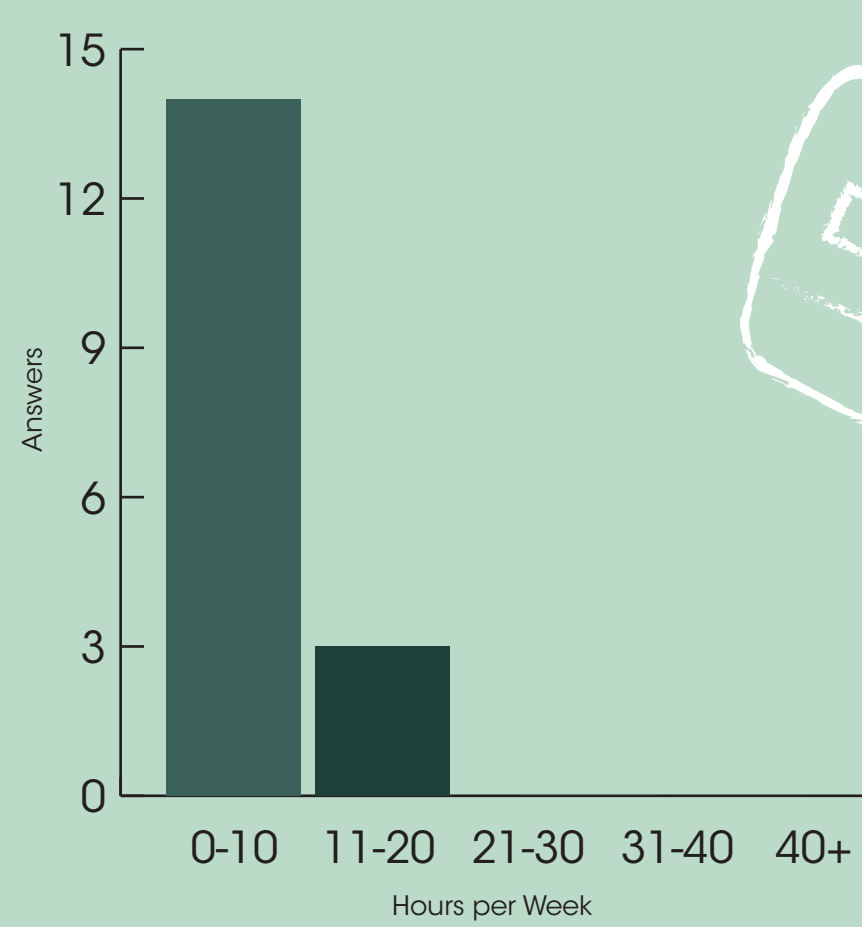


Q4. Please read each statement and signify how much you agree with each choice in how it relates to your own life.
N=17

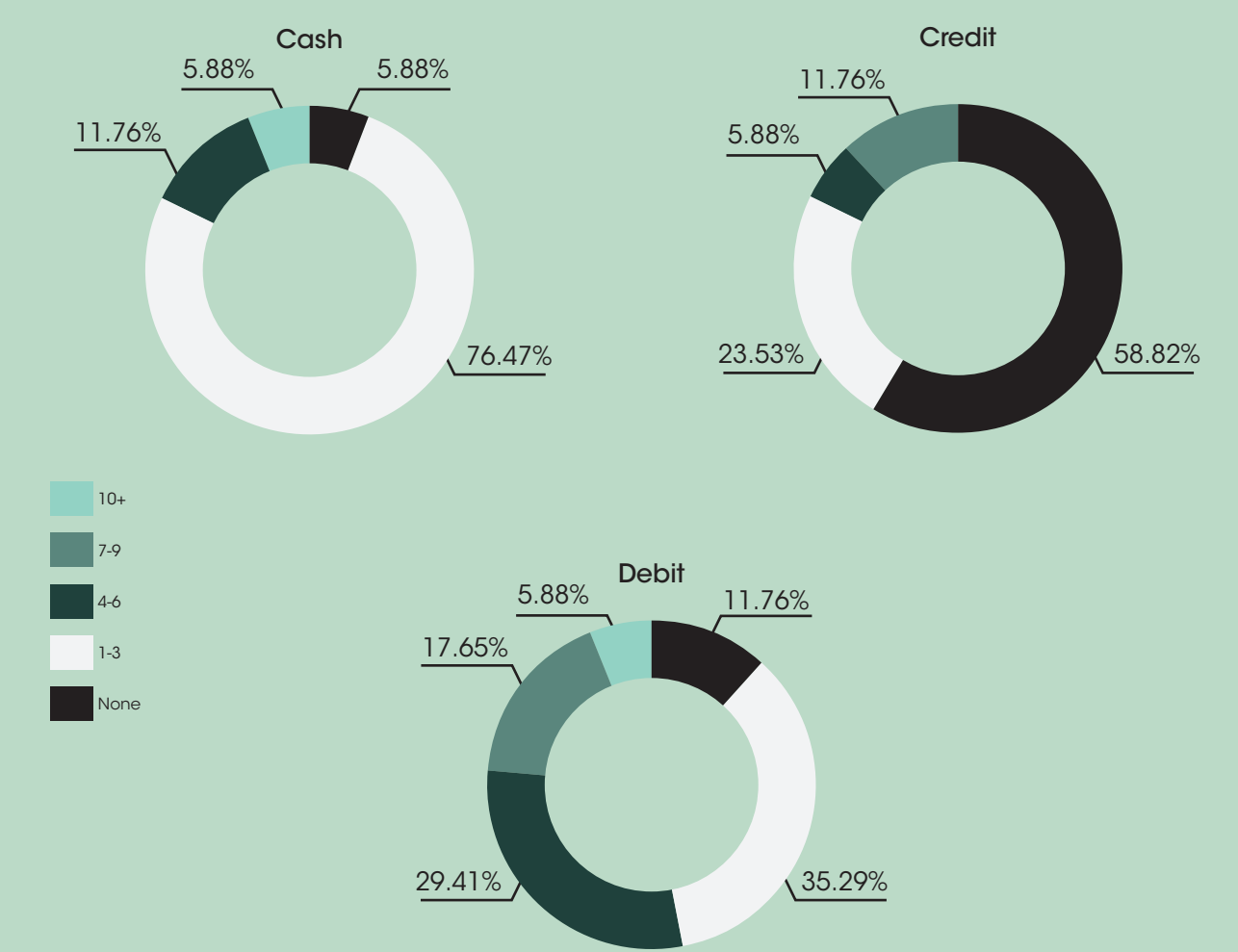
- I always have cash with me.
- I always have a credit or debit card with me.
- I prefer to pay in cash, when possible.
- I prefer to pay with a credit card, when possible.
- I prefer to pay with a debit card, when possible.
- Payment option does not make a difference to me.



Q5. Please indicate how many hours a week you work for pay.
N=17

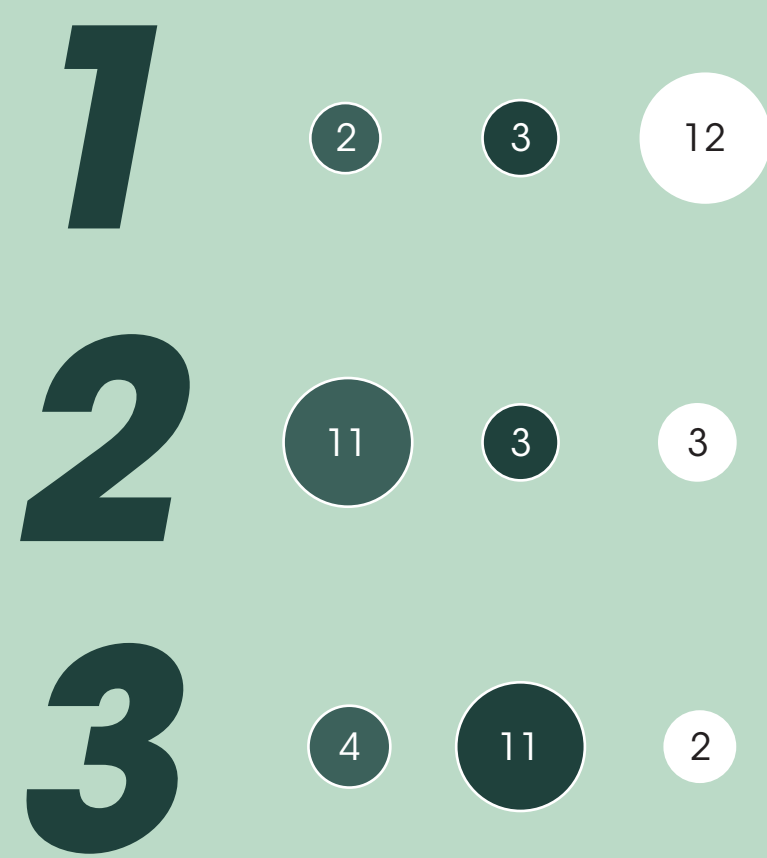


Q6. Approximately how many transactions per week do you make using each payment method listed?
N=17



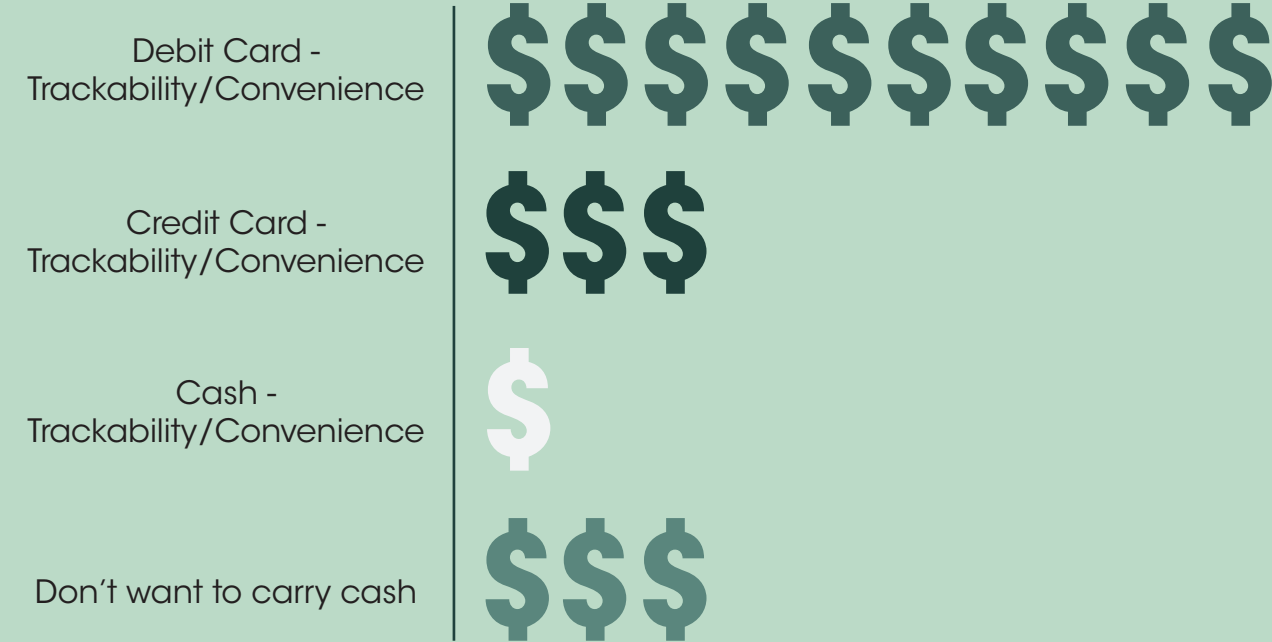
Q7. Please rank your order of preference in usage of each of the following, with 1 being most preferred and 3 being least preferred.
N=17

- Cash
- Credit
- Debit

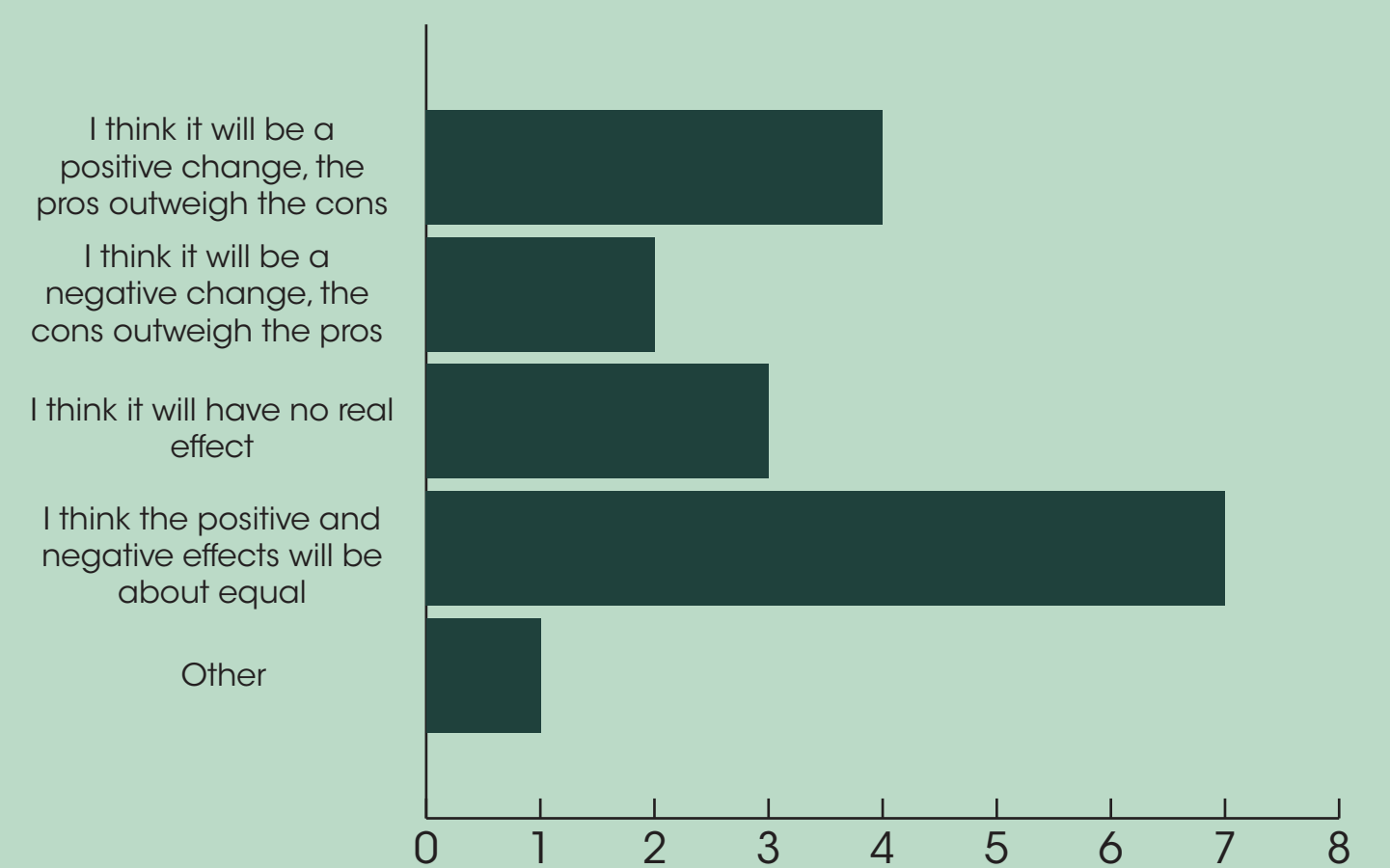


Q8. Please describe why you may prefer one payment method over another.
N=17

Due to the nature of this question, answers were separated and categorized into four general categories.

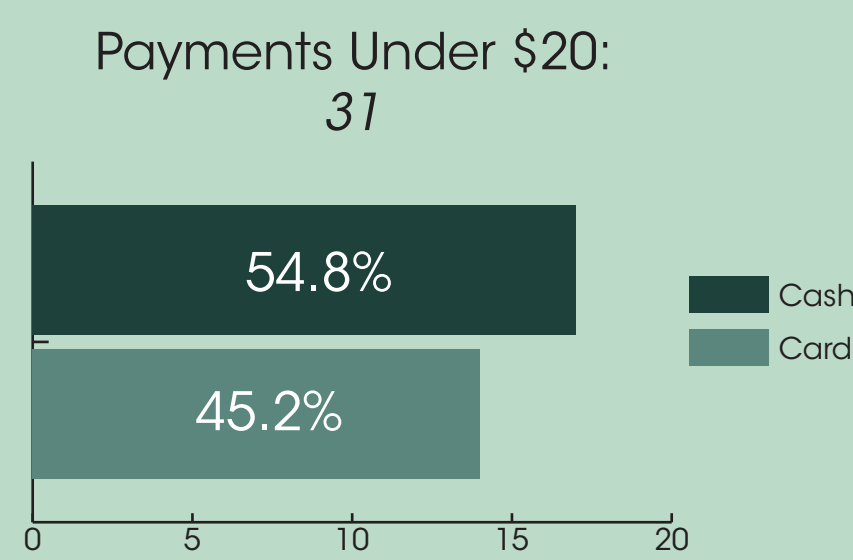
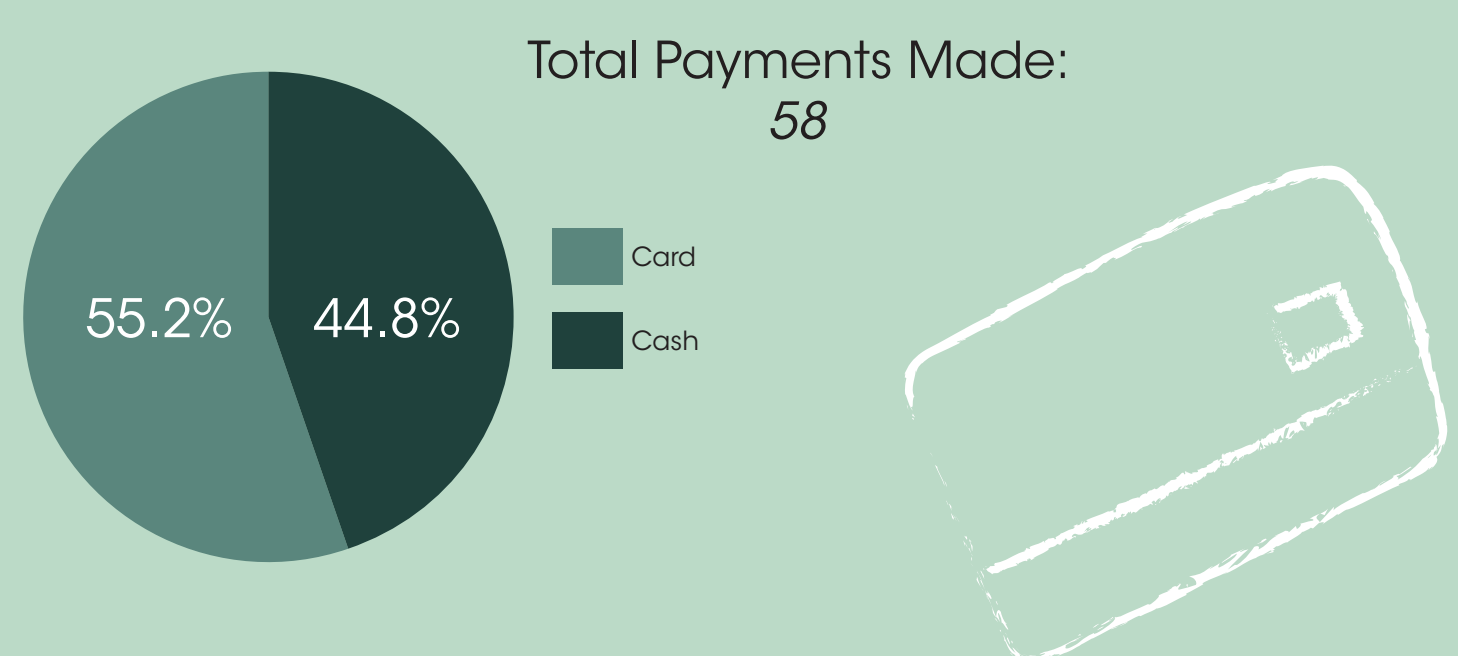


Q9. What is your opinion on society's shift towards a cashless world, meaning payments are made only with card or other virtual, non-paper way?
N=17



Method Two: Observational Analysis

My second research method focuses solely on objective, observed evidence from working as a cashier. I recorded both the total dollar amount spent in each transaction, as well as whether the customer paid with cash or card.



22.4% of total payments cost over \$30 yet 61.5% of those transactions were paid for with **CASH**

In Conclusion:

Based on my survey, college students seem to prefer card over cash. Most said they rarely always had cash on their person, and many said they made several transactions a week using debit cards. Most also said debit was their number one most preferred method of payment, with cash coming in second and credit coming in third. Additionally, most people believe the positive and negative outcomes of a cashless society would be about equal or have a more positive effect. However, when looking at my observational analysis, the spread of cash versus card is much more even. Cards were only used overall about 10% more, yet both cheaper payments (under \$20) and more expensive payments (over \$30) were paid for more with cash than with card. However, my second method had a more general approach. People of all ages and demographics were making payments, not just students at SUNY New Paltz. From this, I can conclude that young adults may be more likely to use some form of card as payment, and less likely to carry any cash on their person. However, as of right now, the split between card and cash among other age ranges and demographics is more even.

Bibliography:

- Graham, Jefferson. "Don't ditch cash yet, but we are going cashless. Really." USA Today, 9 Mar. 2019. <https://www.usatoday.com/story/tech/talkingtech/2019/03/09/dont-ditch-cash-yet-but-paying-venmo-phones-cards-future/3110706002/>. Accessed 11 Mar. 2019.
- Howgego, Joshua. "Goodbye, Cash?" New Scientist, vol. 239, no. 3192, Aug. 2018, pp. 36-40. EBSCOhost, doi:10.1016/S0262-4079(18)31530-6.
- "Infographic: Cash vs. Card." ConsumerCredit.com, <https://www.consumercredit.com/financial-education/infographics/infographic-cash-vs-card>. Accessed 11 Mar. 2019.
- Pritchard, Justin. "The Pros and Cons of Moving to a Cashless Society." The Balance, 24 Feb. 2019. <https://www.thebalance.com/pros-and-cons-of-moving-to-a-cashless-society-4160702>. Accessed 11 Mar. 2019.
- Steele, Jason. "Payment method statistics." CreditCards.com, 30 May 2018. <https://www.creditcards.com/credit-card-news/payment-method-statistics-1276.php>. Accessed 11 Mar. 2019.